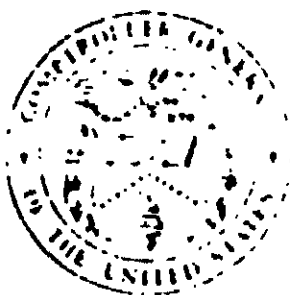


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## DECISION

THE COMPTROLLER GENERAL  
OF THE UNITED STATES  
WASHINGTON, D. C. 20548

FILE: B-205104

DATE: April 16, 1982

MATTER OF: Data Solutions Corporation

## DIGEST:

A solicitation which misled a bidder into bidding on a basis other than as intended by the agency resulted in unequal competition. The contract awarded under the defective solicitation should be terminated for the convenience of the Government and the requirement resolicited.

Data Solutions Corporation (DSC) has protested the award of an indefinite quantity contract for word processing and document preparation services under invitation for bids (IFB) OTR-3043 issued by the Agency for International Development (AID).

AID rejected the DSC low bid essentially on the basis that discussions with DSC indicated that it based its bid on a misunderstanding of the item 4 requirement in the IFB. DSC contends that the solicitation was misleading and resulted in unequal competition. We agree and sustain the protest.

The schedule of prices in the IFB contained the only description of the services to be provided. The schedule and the unit prices bid by DSC are as follows:

"LINE ITEM	ESTIMATED QUANTITY	UNIT COST
"1. Letters, memoranda * * *		
a. Original only	2,000 pages	\$1.70
b. Original and five (5) carbon copies	8,000 sets	\$1.80
"2. Transcription of Item 1 from standard and micro tape cassettes.		
a. Original only	500 pages	\$1.95

- "3. Contract documents \* \* \*
- |                                 |             |        |
|---------------------------------|-------------|--------|
| a. Original only                | 2,000 pages | \$1.70 |
| b. Per photo-copy<br>(up to 15) | 7,500 sets  | \$0.05 |
- "4. Recording of Items 1a,  
2a, or 3a on WANG  
diskettes with one (1)  
print-out. 40,000 pages \$0.04"

AID received 24 bids ranging from DSC's low aggregate bid of \$23,565 to a high bid of \$411,200. In addition to rejecting the low bid, AID also rejected the next six low bids as unreasonably low. The contract was awarded in the amount of \$105,375 to the eighth low bidder.

DSC has indicated that the \$0.04 price per page on line item 4 is low because it does all of its typing on diskettes and recovers the cost of the typing under items 1, 2, and 3. Diskettes are flexible plastic discs, similar in appearance to 45-RPM records, on which information is magnetically recorded and stored; information recorded on a diskette may be selectively retrieved, duplicated, erased, altered or relocated. In word processing applications, the text of a document is first typed onto a diskette; the text may then be corrected or edited electronically without having to retype the entire document. As a final step, an edited and corrected copy is printed onto paper directly from the diskette, the diskette may be retained as an electronic copy for future use.

AID intended that item 4 require a single price for the preparation on word processing equipment of an additional 40,000 pages of documents of the types represented by items 1, 2, and 3, including the cost of typing, the final copy, and the diskette on which the final copy was prepared. AID argues that the 21,000 page difference in the total number of pages between items 1, 2, and 3 and item 4 clearly shows that item 4 was to be a wholly separate item. DSC, on the other hand, interpreted item 4 to call for just the added cost of furnishing the diskette, if requested, used in the preparation of an "original only" under item 1a, 2a, and 3a, which covered the cost of typing. DSC notes that the relative quantities are "only" estimates and suggests they are irrelevant.

We think DSC was misled by the literal language of the solicitation. In this connection, we note particularly that although items 1, 2, and 3 ask for different prices for typing three different types of documents, item 4 asks for just one price for the same three types of documents in some unspecified mix and for which the only distinction is that a word processing diskette must be provided with the final copy. In these circumstances, a bidder could assume that item 4 asked for nothing more than the added per page cost to type items 1a, 2a, and 3a on word processing equipment and provide the diskette to AID with the final document. Furthermore, AID's reference to the difference in quantities does not persuade us otherwise. Even if we read the solicitation as AID advocates--that it requires 19,000 pages without diskettes in the specified mix of separately priced items 1, 2, and 3 and a further 40,000 pages with diskettes in some undetermined mix of items 1, 2, and 3--a bidder is still left in the position of pricing item 4 for which the only distinction from items 1a, 2a, and 3a (and their separate prices) is that the documents must be typed on word processing equipment and a diskette provided.

Since the IFB did not clearly reflect AID's intent and it appears that DSC and perhaps the next six low bidders were misled into bidding in a manner other than as intended by AID, the competition was not conducted on an equal basis. We recommend that AID resolicit the IFB on terms that express AID's actual intent. The contract awarded under IFB OTR-3043 should be terminated for the convenience of the Government and award made to the low responsive, responsible bidder on the recompetition.

By letter of today, we are advising the Administrator of AID of our recommendation in this case.

This decision contains a recommendation for corrective action to be taken. Therefore, we are furnishing copies to the Senate Committees on Governmental Affairs and Appropriations and the House Committees on Government Operations and Appropriations in accordance with section 236 of the Legislative Reorganization Act of 1970, 31 U.S.C. § 1176 (1976), which requires the submission

of written statements by the agency to the committees concerning the action taken with respect to our recommendation.

for *Milton J. Fowler*  
Comptroller General  
of the United States